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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC 8283-81
17 December 1981

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: Acting Chairman, National Intelligence Council

FROM: [REDACTED]
National Intelligence Officer for NESA

SUBJECT: Severe Discrepancy on Libyan Policy Between Policymakers
and Intelligence Community - for Secretary Defense Breakfast

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1. I have recently chaired a number of Intelligence Community sessions, and also attended policy discussions on Libya since the attached NSDD was issued. The differences between the two groups are severe - even though policy decisions have been made. [REDACTED]

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2. Intelligence Community representatives are nearly unanimous on the following judgments:

- a. None of the entire range of prospective economic sanctions will have a significant salutary or political or economic effect. This will be reflected in the upcoming draft SNIE on this subject presented to NFIB.
- b. Any foreseeable military actions would be merely symbolic in effect. Community representatives are generally not aware what specific actions are contemplated.
- c. Without identifiable Libyan provocation, pursuit of either of these sets of options would merely enhance Qadhafi's image in the area - and place severe strains on our relations with Arab moderates and Europeans. They would not serve to alter his policies, including terrorism.
- d. The most effective policy now would be to deescalate both our current propaganda, and take no further action unless

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a specific, identified terrorist action occurs.
Qadhafi is thriving on his current heightened
visibility.

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4. I suggest the following specific points bear consideration, which do not contradict the basic thrust of the NSDD:

- a. Both economic and military measures, if taken at all, should not occur prior to an identifiable Libyan act. Although the NSDD specifically states this regarding military action, it is less clear regarding economic sanctions.
- b. Reaffirm that all of the proposed measures are only symbolic, in the Intelligence Community's unanimous assessment. They will not deter Qadhafi from terrorism in the intermediate or long range, and may merely enhance his image.

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5. To sum up, the Intelligence Community unanimously feels the proposed sanctions would be counterproductive. If they are to be applied, their symbolic nature must be clearly understood. I do not believe the policy level task force personnel are seized with this fact.

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